

NONRENEWAL, OR PREMIUM INCREASE, SHALL OFFER TO CONTINUE OR RENEW THE INSURANCE, BUT TO EXCLUDE ALL COVERAGE WHEN A MOTOR VEHICLE IS OPERATED BY THE SPECIFICALLY NAMED EXCLUDED INDIVIDUAL OR INDIVIDUALS WHOSE CLAIM EXPERIENCE OR DRIVING RECORD COULD HAVE JUSTIFIED THE CANCELLATION, NONRENEWAL, OR PREMIUM INCREASE.

(B) REFUSAL TO ISSUE POLICY.

IF AN INSURER LEGALLY COULD REFUSE TO ISSUE A POLICY OF AUTOMOBILE LIABILITY INSURANCE UNDER WHICH MORE THAN ONE INDIVIDUAL IS INSURED BECAUSE OF THE CLAIM EXPERIENCE OR DRIVING RECORD OF ONE OR MORE BUT LESS THAN ALL OF THE INDIVIDUALS APPLYING TO BE INSURED UNDER THE POLICY, THE INSURER MAY ISSUE THE POLICY BUT EXCLUDE ALL COVERAGE WHEN A MOTOR VEHICLE IS OPERATED BY THE SPECIFICALLY NAMED EXCLUDED INDIVIDUAL OR INDIVIDUALS WHOSE CLAIM EXPERIENCE OR DRIVING RECORD COULD HAVE JUSTIFIED THE REFUSAL TO ISSUE.

(C) POLICY ENDORSEMENTS.

THE POLICY DESCRIBED IN SUBSECTION (A) OR (B) OF THIS SECTION MAY BE ENDORSED TO EXCLUDE SPECIFICALLY ALL COVERAGE FOR ANY OF THE FOLLOWING WHEN THE NAMED EXCLUDED DRIVER IS OPERATING A MOTOR VEHICLE COVERED UNDER THE POLICY WHETHER OR NOT THAT OPERATION OR USE WAS WITH THE EXPRESS OR IMPLIED PERMISSION OF AN INDIVIDUAL INSURED UNDER THE POLICY:

- (1) THE EXCLUDED OPERATOR OR USER;
- (2) THE VEHICLE OWNER;
- (3) FAMILY MEMBERS RESIDING IN THE HOUSEHOLD OF THE EXCLUDED OPERATOR OR USER OR VEHICLE OWNER; AND
- (4) ANY OTHER INDIVIDUAL, EXCEPT FOR THE COVERAGE REQUIRED BY §§ 16-506 AND 16-510 OF THIS ARTICLE IF THAT COVERAGE IS NOT AVAILABLE UNDER ANOTHER AUTOMOBILE POLICY.

(D) PREMIUMS CHARGED.

THE PREMIUMS CHARGED ON A POLICY THAT EXCLUDES A NAMED DRIVER OR DRIVERS UNDER THIS SECTION MAY NOT REFLECT THE CLAIM EXPERIENCE OR DRIVING RECORD OF THE EXCLUDED NAMED DRIVER OR DRIVERS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 240C-1.

In subsections (a)(1) and (2), (b), and (c) of this section, the references to "individual" and "individuals" are substituted for the former references to "person" and "persons" because only individuals have driving records, submit claims for accidents, and give permission to operate or use a motor vehicle.

In subsection (a)(2) of this section, the reference to a "premium increase" being justified is added for clarity.